

FILED
9/3/2024
THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff-Intervenor,

V.

WALGREEN CO., WALGREENS BOOTS
ALLIANCE, INC., WALGREEN EASTERN CO.,
INC., BOND DRUG COMPANY OF ILLINOIS,
DUANE READE, DUANE READE, INC.,
WALGREEN ARIZONA DRUG CO., HAPPY
HARRY'S INC., WALGREEN LOUISIANA
CO., INC., and WALGREEN OF HAWAII, LLC,

Defendants.

No. 18 C 5452,
No. 22 C 6052,
No. 22 C 6366, and
No. 23 C 1617

JURY TRIAL DEMANDED

UNITED STATES OF AMERICA, and the
STATE OF CALIFORNIA, STATE OF
COLORADO, STATE OF CONNECTICUT,
STATE OF DELAWARE, STATE OF FLORIDA,
STATE OF GEORGIA, STATE OF HAWAII,
STATE OF ILLINOIS, STATE OF INDIANA,
STATE OF IOWA, STATE OF LOUISIANA,
STATE OF MARYLAND, COMMONWEALTH
OF MASSACHUSETTS, STATE OF
MICHIGAN, STATE OF MINNESOTA, STATE
OF MONTANA, STATE OF NEVADA, STATE
OF NEW HAMPSHIRE, STATE OF NEW
JERSEY, STATE OF NEW MEXICO, STATE
OF NEW YORK, STATE OF NORTH
CAROLINA, STATE OF OKLAHOMA, STATE
OF RHODE ISLAND, STATE OF TENNESSEE,
STATE OF TEXAS, STATE OF VERMONT,
COMMONWEALTH OF VIRGINIA, and STATE
OF WASHINGTON, *ex rel.* T.J. NOVAK,

Plaintiffs.

V.

WALGREENS BOOTS ALLIANCE, INC.,

Defendant.

No. 18 C 5452

UNITED STATES, <i>ex rel.</i> ELMER MOSLEY,)	
)	
Plaintiff,)	
)	
v.)	No. 22 C 6052
)	
WALGREEN CO.,)	
)	
Defendant.)	

UNITED STATES OF AMERICA <i>ex rel.</i> K&V)	
GROUP, LLP and on behalf of the STATES of)	
CALIFORNIA, COLORADO, CONNECTICUT,)	
DELAWARE, FLORIDA, GEORGIA, HAWAII,)	
ILLINOIS, INDIANA, IOWA, LOUISIANA,)	
MARYLAND, MICHIGAN, MINNESOTA,)	
MONTANA, NEVADA, NEW JERSEY, NEW)	
MEXICO, NEW YORK, NORTH CAROLINA,)	
OKLAHOMA, RHODE ISLAND, TENNESSEE,)	
TEXAS, VERMONT, WASHINGTON, the)	
Commonwealth of MASSACHUSETTS, the)	
Commonwealth of VIRGINIA, the)	
Commonwealth of PUERTO RICO, the)	
DISTRICT OF COLUMBIA, the CITY OF)	
CHICAGO, the CITY OF HALLANDALE)	
BEACH, BROWARD COUNTY, and MIAMI-)	
DADE COUNTY,)	

Plaintiffs,)	No. 22 C 6366
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v.

WALGREENS BOOTS ALLIANCE, INC.,)
WALGREEN CO., BAXTER DRUG, INC.,)
DUANE READE HOLDINGS, INC., DUANE)
READE, INC., HAPPY HARRY'S DISCOUNT)
DRUG STORES, INC., HAPPY HARRY'S, INC.,)
STEPHEN L. LAFRANCE PHARMACY, INC.,)
WALGREEN HASTINGS CO., WALGREEN)
EASTERN CO., INC., BOND DRUG)
COMPANY OF ILLINOIS, LLC, WALGREEN)
LOUISIANA CO., INC., WALGREEN)
MERCANTILE CORP., WALGREEN OF)
HAWAII, LLC, WALGREEN OF MAUI, INC.,)
WALGREEN OF PUERTO RICO, INC.,)
WALGREEN OF SAN PATRICIO, INC.,)
WALGREENS OF NORTH CAROLINA, INC.,)

WALGREENS OF MASSACHUSETTS, LLC,)
WALGREENS STORE NO. 3288, LLC,)
WALGREENS STORE NO. 3332, LLC,)
WALGREENS STORE NO. 3680, LLC,)
WALGREENS STORE NO. 4650, LLC,)
WALGREENS STORE NO. 4651, LLC,)
WALGREENS STORE NO. 5576, LLC,)
WALGREENS STORE NO. 5838, LLC,)
WALGREENS STORE NO. 7839, LLC,)
WALGREEN OF US VIRGIN ISLANDS, LLC,)
WALGREEN OSHKOSH, INC., WALGREEN)
PHARMACY SERVICES EASTERN, LLC,)
WALGREEN PHARMACY SERVICES)
MIDWEST, LLC, WALGREEN PHARMACY)
SERVICES SOUTHERN, LLC, WALGREEN)
PHARMACY SERVICES WESTERN, LLC, and)
WALGREEN PHARMACY SERVICES WHS,)
LLC, and WALGREEN OF NEW MEXICO, INC,)
))
Defendants.)

UNITED STATES OF AMERICA, *ex rel.*)
PATRICK AWA,)
))
Plaintiff,)
))
v.) No. 23 C 1617
))
WALGREENS CO. and WALGREENS BOOTS)
ALLIANCE, INC.,)
))
Defendants.)

**UNITED STATES' NOTICE OF ELECTION TO
INTERVENE IN PART AND DECLINE TO INTERVENE IN PART**

The United States of America, by Morris Pasqual, Acting United States Attorney for the Northern District of Illinois, pursuant to the False Claims Act, 31 U.S.C. § 3730(b)(2) and (4), notifies the court of its election to intervene, in part, in these consolidated actions against defendants Walgreen Co., Walgreens Boots Alliance, Inc., Walgreen Eastern Co., Inc., Bond Drug Company of Illinois, Duane Reade, Duane Reade, Inc., Walgreen Arizona Drug Co., Happy Harry's, Inc., Walgreen Louisiana Co., Inc., and Walgreen of Hawaii, LLC (collectively

“Walgreens”). The United States intends to file its Complaint in Intervention within 21 days, or on or before September 20, 2024.

1. The United States intervenes, in part, in these consolidated actions alleging violations of the False Claims Act by defendant Walgreens. Specifically, the United States intervenes in the following counts of the four consolidated *qui tams*:

- a. In *United States ex rel. Novak v. Walgreens Boots Alliance, Inc.*, No. 18 C 5452 (N.D. Ill.), the United States intervenes in Count 1, alleging violations of 31 U.S.C. § 3729(a)(1)(A), against Walgreens Boots Alliance, Inc.
- b. In *United States ex rel. Mosley v. Walgreen Co.*, No. 22 C 6052 (N.D. Ill.), the United States intervenes in Count 1, alleging violations of 31 U.S.C. § 3729(a)(1)(A), and Count 2, alleging violations of 31 U.S.C. § 3729(a)(1)(B), against Walgreen Co.
- c. In *United States ex rel. K&V Group, LLP, et al. v. Walgreens Boots Alliance, Inc., et al.*, No. 22 C 6366 (N.D. Ill.), the United States intervenes in Count 1, alleging violations of 31 U.S.C. § 3729(a)(1) and § 3729(a)(1)(A), and Count 2, alleging violations of 31 U.S.C. § 3729(a)(1)(B), against Walgreens Boots Alliance, Inc., Walgreen Co., Walgreen Eastern Co., Inc., Bond Drug Company of Illinois, Inc., Duane Reade, Inc., Happy Harry’s, Inc., Walgreen Louisiana Co., Inc., and Walgreen of Hawaii, LLC.
- d. In *United States ex rel. Awa v. Walgreens Co. and Walgreens Boots Alliance, Inc.*, No. 23 C 1617 (N.D. Ill.), the United States intervenes in Count 1, alleging presentation of a false claim, and Count 2, alleging a false

record or statement, against Walgreens Boots Alliance, Inc., and Walgreen Co.

- e. The United States declines to intervene in any count that is not explicitly identified in this notice and declines to intervene against any defendants that are not explicitly named in this notice.

2. Although the United States is not intervening in a portion of the actions, we refer the court to 31 U.S.C. § 3730(b)(1), which allows the relators to maintain the declined portions of their actions in the name of the United States; providing, however, that the “action[s] may be dismissed only if the court and the Attorney General give written consent to the dismissal and their reasons for consenting.” *Id.* Therefore, the United States requests that, should either the relators or the defendants propose that the part of the actions in which the United States has not intervened be dismissed, settled, or otherwise discontinued, this court solicit the written consent of the United States before ruling or granting its approval.

3. Furthermore, pursuant to 31 U.S.C. § 3730(c)(3), the United States requests that all pleadings filed in the actions, even as to the declined parts of the actions, be served upon the United States; the United States also requests that all orders issued by the court be sent to government counsel. The United States reserves its right to order any deposition transcripts and to intervene in the portion of the actions in which it is not intervening today, for good cause, at a later date.

4. The United States reserves the right to seek the dismissal of the relators’ actions or claims on any appropriate grounds, including under 31 U.S.C. §§ 3730(b)(5) and (e)(4).

5. Finally, the United States requests that the relators’ original and amended complaints, this notice, and the attached proposed order be unsealed. The United States requests that all other papers on file in the actions remain under seal because in discussing the content and

extent of the United States' investigation, such papers are provided by law to the court alone for the sole purpose of evaluating whether the seal and time for making an election to intervene should be extended.

6. A proposed order accompanies this notice.

Dated: August 30, 2024

Respectfully submitted,

MORRIS PASQUAL
Acting United States Attorney

By: /s Valerie R. Raedy
VALERIE R. RAEDY
Assistant United States Attorney
219 South Dearborn Street
Chicago, Illinois 60604
(312) 353-8694
valerie.raedy@usdoj.gov